



STATE BOARD OF EQUALIZATION

October 20, 1964

Dear Mr.

This is with reference to our telephone conversation on Tuesday, October 20, regarding the application of sales tax on charges for installing a hydraulic lift gate on a leased truck.

The hydraulic lift gate is not necessary to the operation of the truck. Instead, it is a piece of equipment to facilitate the loading of heavy objects onto the truck bed. The lessee of the truck owned the lift gate and had it removed from one vehicle and installed on the leased vehicle. Your firm did the installation. In this instance, no hydraulic gate was sold or fabricated by you, and the installation on the truck was not a part of fabricating the truck but merely an installation of some equipment so that the equipment could be used in the manner for which it was intended. Accordingly, there would be no tax on the installation charge made by you to the lessee.

Enclosed, as promised, are copies of rulings 15, 24, and 26.

Very truly yours,

Robert H. Anderson
Associate Tax Counsel

RHA: fb
Enclosures
cc: Oakland - District Administrator